CHAPTER 453D – ADULT USE OF MARLIUANA

PRODUCTION AND DISTRIBUTION OF MARIJUANA

Registration of Marijuana Establishments and Marijuana Establishment Agents

Sec. () Persons required to act on behalf of establishment. (NRS 453D.())

- 1. A marijuana establishment is required pursuant to this chapter or chapter 453D of NRS to provide information, sign documents or ensure actions are taken. A person identified in this subsection shall comply with the requirement on behalf of the marijuana establishment:
 - (a) If a natural person is applying for a marijuana establishment license, the natural person which is filed with the State of Nevada Secretary of State;
 - (b) If a corporation is applying for a marijuana establishment license, a natural person who is an officer of the corporation which is filed with the State of Nevada Secretary of State;
 - (c) If a partnership is applying for a marijuana establishment license, a natural person who is a partner which is filed with the State of Nevada Secretary of State;
 - (d) If a limited-liability company is applying for a marijuana establishment license, a manager or, if the limited-liability company does not have a manager, a natural person who is a member of the limited-liability company which is filed with the State of Nevada Secretary of State;
 - (e) If an association or cooperative is applying for a marijuana establishment license, a natural person who is a member of the governing board of the association or cooperative;

- (f) If a joint venture is applying for a marijuana establishment license, a natural person who signed the joint venture agreement; and
- (g) If a business organization other than those described in paragraphs (b) to (f), inclusive, is applying for a marijuana establishment license, a natural person who is a member of the business organization.
- 2. For the purposes of this chapter and chapter 453D of NRS, the following persons must comply with the provisions governing owners, officers and board members of a marijuana establishment:
 - (a) If a corporation is applying for a marijuana establishment license, the officers of the corporation which is filed with the State of Nevada Secretary of State;
 - (b) If a partnership is applying for a marijuana establishment license, the partners;
 - (c) If a limited-liability company is applying for a marijuana establishment license, the members of the limited-liability company;
 - (d) If an association or cooperative is applying for a marijuana establishment license, the members of the association or cooperative;
 - (e) If a joint venture is applying for a marijuana establishment license, the natural persons who signed the joint venture agreement; and
 - (f) If a business organization other than those described in paragraphs (a) to (e), inclusive, is applying for a marijuana establishment license, the members of the business organization.
- Sec. () Applicability of requirements of chapter to certain owners of establishments. (NRS 453D.())

- 1. Except as otherwise required in subsection 2, the requirements of this chapter concerning owners of marijuana establishments only apply to a person with an aggregate ownership interest of more than 5 percent in a marijuana establishment.
- 2. If, in the judgment of the Department, the public interest will be served by requiring any owner with an ownership interest 5 percent or less in a marijuana establishment to comply with any provisions of this chapter concerning owners of marijuana establishments, the Department will notify that owner and he or she must comply with those provisions.

Sec. () Request for applications to operate establishment: Notice; required provisions; time period for submission of applicants. (NRS 453D.())

- 1. Once each year, the Department will determine whether a sufficient number of marijuana establishments exist to serve the people of this State and, if the Department determines that additional marijuana establishments are necessary, the Department will issue a request for applications to operate a marijuana establishment. The Department will provide notice of a request for applications to operate a marijuana establishment by:
 - (a) Posting on the Internet website of the Department of Taxation that the Department is requesting applicants to submit their applications;
 - (b) Posting a copy of the request for applications at the principal office of the Department, the Legislative Building and at not less than three other separate, prominent places within this State; and
 - (c) Making notification of the posting locations using the electronic mailing list maintained by the Department for marijuana establishment information.

- 2. When the Department issues a request for applications pursuant to this section, the Department will include in the request the point values that will be allocated to each applicable portion of the application.
- 3. The Department will accept applications in response to a request for applications issued pursuant to this section for not more than 10 business days beginning on the date which is 30 days after the date on which the Department issued the request for applications.
- 4. If the Department receives an application in response to a request for applications issued pursuant to this section on a date other than the dates set forth in subsection 3, the Department must not consider the application and must return the application to the entity that submitted the application.
- Sec. () Procedures for the issuance of a license to operate a marijuana establishment. Required provisions for current medical marijuana establishment license holders applying for the same license type. (NRS 453D.())
 - 1. As of January 1, 2018, a medical marijuana establishment that has received a final medical marijuana establishment registration certificate, as defined in subsections 4 7 and 8 of this section, under its medical marijuana establishment registration certificate may apply for a marijuana establishment license.
 - 2. The application must be submitted by the same entity that holds the medical marijuana establishment certificate and must be on a form prescribed by the Department pursuant to NRS 453D.210 and must include, without limitation:
 - (a) A one-time, nonrefundable application fee of \$5,000 plus a license fee of:
 - (1) \$20,000 for a Retail Marijuana Store;
 - (2) \$30,000 for a Marijuana Cultivation Facility;

- (3) \$10,000 for a Marijuana Product Manufacturing Facility;
- (4) \$15,000 for a Marijuana Testing Facility; or
- (5) \$15,000 for a Marijuana Distributor.
- (b) That the applicant is applying for a marijuana establishment license;
- (c) The type of marijuana establishment license for which the applicant is applying;
- (d) The name of the marijuana establishment, as reflected on the registration certificate issued pursuant to NRS 453A and in the articles of incorporation or other documents filed with the Secretary of State;
- (e) The physical address where the marijuana establishment will be located and the physical address of any co-owned or otherwise affiliated marijuana establishments;
- (f) The mailing address of the applicant;
- (g) The telephone number of the applicant;
- (h) The electronic mail address of the applicant;
- (i) A signed copy of the Request and Consent to Release Application Form for Marijuana License;
- (j) An attestation that the information provided to the Department to apply for the marijuana establishment license is true and correct according to the information known by the affiant at the time of signing;
- (k) The signature of a natural person for the proposed marijuana establishment and the date on which the person signed the application; and
- (1) Any other information that the Department may require.
- 3. Upon receipt of the application by the Department, the Department shall approve the issuance of a marijuana establishment license if:

- (a) The applicant holds the same or similar registration certificate type under NRS 453A for which it is applying or is applying for a marijuana distributor license; and
- (b) The applicant is in compliance with NRS 453D.210 (5) (a)-(f). For purposes of determining compliance with 453D.210(5)(c) and (e), the Department will not issue the license until the Department receives written notice from the locality that the applicant is in compliance with the distance requirements and zoning and land use rules adopted by the locality.
- **4.** If the marijuana establishment license is not approved, the license fee will be refunded by the Department.
- Sec. () Applications to operate establishments: Required provisions for current medical and adult use license holders different license types than original medical marijuana registration certificates and new license applicants. (NRS 453D.()) As of January 1, 2018, a medical marijuana establishment that has received a medical marijuana establishment registration certificate may apply for a marijuana establishment license of a different license type. As of November (), 2018, new applicants may apply for marijuana establishments licenses. The applications must be submitted in response to a request for applications issued pursuant to NAC 453D.() and must include:
 - 1. A one-time, non-refundable application fee of \$5,000;
 - 2. An application on a form prescribed by the Department pursuant to subsection () of NRS-453D. ()). The application must include, without limitation:
 - (a) Whether the applicant is applying for a marijuana establishment license for a marijuana testing facility, a marijuana cultivation facility, a marijuana product manufacturing facility, a marijuana distributor or a retail marijuana store;

- (b) The name of the proposed marijuana establishment, as reflected in the articles of incorporation or other documents filed with the Secretary of State;
- (c) The type of business organization of the applicant, such as individual, corporation, partnership, limited-liability company, association or cooperative, joint venture or any other business organization;
- (d) Confirmation that the applicant has registered with the Secretary of State as the appropriate type of business, and the articles of incorporation, articles of organization or partnership or joint venture documents of the applicant;
- (e) The physical address where the proposed marijuana establishment will be located and the physical address of any co-owned or otherwise affiliated marijuana establishments;
- (f) The mailing address of the applicant;
- (g) The telephone number of the applicant;
- (h) The electronic mail address of the applicant;
- (i) A signed copy of the Request and Consent to Release Application Form for Marijuana License;
- (j) If the applicant is applying for a marijuana establishment license to operate a retail marijuana store, the proposed hours of operation during which the retail marijuana store plans to be available to sell marijuana to consumers;
- (k) An attestation that the information provided to the Department to apply for the marijuana establishment license is true and correct according to the information known by the affiant at the time of signing; and

- (1) The signature of a natural person for the proposed marijuana establishment as described in NAC 453D.()) and the date on which the person signed the application;
- 3. Evidence of the amount of taxes paid to, or other beneficial financial contributions made to, this State or its political subdivisions within the last 5 years by the applicant or the persons who are proposed to be owners, officers or board members of the proposed marijuana establishment.
- 4. A description of the proposed organizational structure of the proposed marijuana establishment, including, without limitation:
 - (a) An organizational chart showing all owners, officers and board members of the proposed marijuana establishment;
 - (b) A list of all owners, officers and board members of the proposed marijuana establishment that contains the following information for each person:
 - (1) The title of the person;
 - (2) The race, ethnicity and gender of the person;
 - (3) A short description of the role the person will serve in for the organization and his or her responsibilities;
 - (4) Whether the person has served or is currently serving as an owner, officer or board member for another marijuana establishment;
 - (5) Whether the person has served as an owner, officer or board member for a marijuana establishment that has had its marijuana establishment registration certificate or marijuana license revoked;

- (6) Whether the person has previously had a marijuana establishment agent registration card revoked;
- (7) Whether the person is an attending physician currently providing written documentation for the issuance of registry identification cards or letters of approval;
- (8) Whether the person is a law enforcement officer;
- (9) Whether the person is currently an employee or contractor of the Department;
- (10) Whether the person has an ownership or financial investment interest in any other marijuana establishment; and
- 5. For each owner, officer and board member of the proposed marijuana establishment:
 - (a) An attestation signed and dated by the owner, officer or board member that he or she has not been convicted of an excluded felony offense, and that the information provided to support the application to operate a marijuana establishment is true and correct;
 - (b) A narrative description, not to exceed 750 words, demonstrating:
 - (1) Past experience working with governmental agencies and highlighting past community involvement;
 - (2) Any previous experience at operating other businesses or nonprofit organizations;
 - (3) Any demonstrated knowledge or expertise with respect to marijuana; and (c) A resume.
- 6. Documentation concerning the size of the proposed marijuana establishment including, without limitation, building and construction plans with supporting details.

- 7. The integrated plan of the proposed marijuana establishment for the care, quality and safekeeping of marijuana from seed to sale, including, without limitation, a plan for testing and verifying marijuana, a transportation plan and procedures to ensure adequate security measures, including, without limitation, building security and product security.
- 8. A plan for the business which includes, without limitation, a description of the inventory control system of the proposed marijuana establishment to satisfy the requirements of subsection () of NRS 453D.() and section () of this regulation.
- 9. A financial plan which includes, without limitation:
 - (a) Financial statements showing the resources of the applicant;
 - (b) If the applicant is relying on money from an owner, officer or board member, evidence that the person has unconditionally committed such money to the use of the applicant in the event the Department awards a marijuana establishment license to the applicant and the applicant obtains the necessary approvals from the locality to operate the proposed marijuana establishment; and
 - (c) Proof that the applicant has adequate money to cover all expenses and costs of the first year of operation.
- 10. Evidence that the applicant has a plan to staff, educate and manage the proposed marijuana establishment on a daily basis, which must include, without limitation:
 - (a) A detailed budget for the proposed marijuana establishment, including preopening, construction and first year operating expenses;
 - (b) An operations manual that demonstrates compliance with this chapter;

- (c) An education plan which must include, without limitation, providing educational materials to the staff of the proposed marijuana establishment; and
- (d) A plan to minimize the environmental impact of the proposed marijuana establishment.
- 11. Prior to November (), 2018, if the applicant is applying for a distributor license, confirmation that the applicant is a:
 - (a) A person holding a liquor wholesaler dealer license pursuant to NRS 369;
 - (1) Person has the meaning ascribed to it in NRS 0.039.
 - (2) The person holding the wholesaler liquor dealer license must be the person applying for the marijuana distributor license.
- 12. A response to and information which supports any other criteria of merit the Department determines to be relevant, which will be specified and requested by the Department at the time the Department issues a request for applications which includes the point values that will be allocated to the applicable portions of the application pursuant to subsection () of NAC 453D.().

Sec. () Requirements for measuring distance between proposed establishment and school or community facility. (NRS 453D())

For the purposes of NRS 453D.(), the distance must be measured from the front door of the proposed marijuana establishment to the closest point of the property line of a school or community facility.

Sec. () Registration of establishments: Ranking of applicants. (NRS 453D.())

1. If the Department receives more than one application in response to a request for applications made pursuant to NAC 453D.() and the Department determines that

more than one of the applications is complete and in compliance with this chapter and chapter 453D of NRS, the Department will rank the applications, within each applicable locality for any applicants which are in a jurisdiction that limits the number of a type of marijuana establishments in order from first to last based on compliance with the provisions of this chapter and chapter 453D of NRS and on the content of the applications as it relates to:

- (a) Whether the owners, officers, and/or board members have experience operating another kind of business(s) that has given them applicable experience to running a marijuana establishment;
- (b) The diversity of the owners, officers, and/or board members;
- (c) The educational achievements of the persons who are proposed to be owners, officers or board members of the proposed marijuana establishment;
- (d) The financial plan and resources of the applicant, both liquid and illiquid;
- (e) Whether the applicant has an integrated plan for the care, quality and safekeeping of marijuana from seed to sale;
- (f) The amount of taxes paid to, or other beneficial financial contributions, including giving back to the community through their civic and/or philanthropic involvement, made to the State of Nevada or its political subdivisions, by the applicant or the persons who are proposed to be owners, officers or board members of the proposed marijuana establishment;
- (g) The owners, officers and/or board members have direct experience with a Nevada medical and/or retail marijuana establishment and have demonstrated a track record

- of operating that establishment in a manner that complies with the requirements of the applicable State regulatory authority overseeing such establishments;
- (h) A determination if there has been an adequate period of performance upon which the Department could base a conclusion as to the effectiveness of the existing operations of the establishment;
- (i) The experience of key personnel to operate the license type in which the applicant is applying;
- (j) Any other criteria of merit that the Department determines to be relevant.
- 2. Localities will be given the responsibility to affirm applicant location(s) based on requirements within the respective jurisdiction.
 - (a) The Department will not require zoning approval to be submitted in the marijuana establishment application. If an applicant does have zoning and land use approval and chooses to include it their application, no extra points or merit will be awarded for it being included.
 - (b) The Department will pass each ranked marijuana establishment conditional licenses awarded on to the applicable locality, based on the maximum number of retail marijuana establishments allowed for the locality.
 - (c) Each applicant that receives a conditional license from the Department will be required to secure locality approval for zoning and land use. If an applicant needs to pursue an alternative location because the original location was denied local approval, the alternative location must be similar in scope with respect to building size, operation, and systems. Licenses will remain conditional until all local requirements have been met.
 - (d) The Department shall approve a license application if the locality in which the proposed marijuana establishment will be located does not affirm to the Department

- that the proposed marijuana establishment will be in violation of zoning or land use rules adopted by the locality.
- (e) Upon request of a county government, the Department may issue retail marijuana store licenses in that county in addition to the number otherwise allowed pursuant to this paragraph.
- (f) Retail marijuana store licenses allocated to the counties are to be distributed to the localities within those counties prorata based on the population in the jurisdiction(s).
- 3. To prevent monopolistic practices, the Department shall ensure, in a county whose population is 100,000 or more, that it does not issue, to any person, group of persons or entity, the greater of:.
 - (a) One retail marijuana store license; or
 - (b) More than 10 percent of the retail store licenses allocable in the county.
- 4. If the Department receives any findings from a report concerning the criminal history of an applicant or person who is proposed to be an owner, officer or board member of a proposed marijuana establishment that disqualify that person from being qualified to serve in that capacity, the Department will provide notice to the applicant and give the applicant an opportunity to revise its application. If a person who is disqualified from serving as an owner, officer or board member remains on the application as a proposed owner, officer or board member 90 days after the date on which the Department initially received the application, the Department may disqualify the application.
- Sec. () Registration of establishments: Issuance of conditional licenses to multiple applicants. (NRS 453D.())

- Except as otherwise provided in this section, the Department will issue conditional marijuana establishment licenses in accordance with NRS 453D.() and NAC 453D.() to the highest ranked applicants until the Department has issued the number of marijuana establishment licenses designated by the Department.
- 2. If two or more applicants have the same total number of points for the last application being awarded a conditional marijuana establishment license, the Department will select the applicant which has scored the highest number of points as it relates to the proposed organizational structure of the proposed marijuana establishment and the information concerning each owner, officer and board member of the proposed marijuana establishment, including, without limitation, the information provided pursuant to subsections () and () of NAC 453D. ().
- 3. Upon the issuance of a conditional marijuana establishment license, the applicant will be required to pay the license fee of:
 - (a) \$20,000 for a Retail Marijuana Store;
 - (b) \$30,000 for a Marijuana Cultivation Facility;
 - (c) \$10,000 for a Marijuana Product Manufacturing Facility;
 - (d) \$15,000 for a Marijuana Testing Facility; or
 - (e) \$15,000 for a Marijuana Distributor.
- Sec. () Registration of establishments: Issuance of conditional licenses if only one application received. (NRS 453D.())

If, within 10 business days after the date on which the Department begins accepting applications in response to a request for applications issued pursuant to <u>NAC 453D.(_____)</u>, the Department receives only one application from an applicant:

- 1. In a specific locality which limits the number of a type of marijuana establishment to one; or
- 2. Statewide, if the applicant is in a jurisdiction which does not limit the number of a type of marijuana establishment, and the Department determines that the application is complete and in compliance with this chapter and chapter 453<u>D</u> of NRS, the Department will issue a conditional marijuana establishment license to that applicant in accordance with <u>NRS</u> 453D.() and NAC 453D.().
- 3. Upon the issuance of a conditional marijuana establishment license, the applicant will be required to pay the license fee as described in Sec () in this regulation.
- Sec. () Registration of establishments: When operations may commence. (NRS 453D.())
 - 1. Except as otherwise provided in subsection 2, the issuance of a marijuana establishment license by the Department is conditional and not an approval to begin operations as a marijuana establishment until such time as:
 - (a) The marijuana establishment is in compliance with all applicable ordinances and rules of a locality; and
 - (b) The locality has issued a business license, or otherwise approved the applicant, for the operation of the marijuana establishment.
 - 2. If the locality in which a marijuana establishment is located does not issue business licenses and does not approve or disapprove marijuana establishments in its jurisdiction, a marijuana establishment license becomes an approval to begin operations as a marijuana establishment when the marijuana establishment is in compliance with all applicable ordinances and rules of the locality.

Sec. () Registration of establishments: Notice if license not issued. (NRS 453D.())

If the Department does not issue a conditional marijuana establishment license to an applicant to operate a marijuana establishment, the Department must provide written notice to the applicant stating that the Department did not issue a conditional marijuana establishment license to the applicant as a result of the provisions of NAC 453D.() and 453D.().

Sec. () Health and safety inspections of establishments. (NRS 453D.())

- 1. The Department may, at any time it determines an inspection is needed, conduct an investigation into the premises, facilities, qualifications of personnel, methods of operation, policies and purposes of any marijuana establishment and of any person proposing to engage in the operation of a marijuana establishment. An inspection of a facility may include, without limitation, investigation of standards for safety from fire on behalf of the Department by the local fire protection agency. If a local fire protection agency is not available, the State Fire Marshal may conduct the inspection after the marijuana establishment pays the appropriate fee to the State Fire Marshal for such inspection.
- 2. The Department will not issue a marijuana establishment license until the Department completes an inspection of the marijuana establishment. Such an inspection may require more than one visit to the marijuana establishment.
 - (a) The Department may conduct preliminary walk-throughs of marijuana establishments, subject to the availability of inspectors, upon request to assist with questions and identify issues for correction prior to the pre-opening inspection.
 - (1) Marijuana establishments must have completed all construction, and be near completion of all other state requirements;

- (2) If the inspection team commits to a preliminary walk-through, the marijuana establishment will be invoiced for the travel time and inspection time of the inspection team.
- 3. In addition to complying with the provisions of chapter 372A of NRS and chapter 372A of NAC governing the imposition of an excise tax on marijuana establishments, a marijuana establishment may not operate until it has been issued a marijuana establishment license from the Department.
- 4. The Department will not issue a marijuana establishment license until it has received a satisfactory report of full compliance with and completion of all applicable public safety inspections required by state and localities, including, without limitation, fire, building, health and air quality inspections, except as otherwise provided in NAC 453D.().

Sec. () Inspections of establishments. (NRS 453D.())

- 1. Submission of an application for a marijuana establishment license constitutes permission for entry to and reasonable inspection of the marijuana establishment by the Department, with or without notice. An inspector conducting an inspection pursuant to this section does not need to be accompanied during the inspection.
- 2. The Department may, upon receipt of a complaint against a marijuana establishment, except for a complaint concerning the cost of services, a complaint concerning the efficacy of marijuana or a complaint related to customer service issues, conduct an investigation during the operating hours of the marijuana establishment, with or without notice, into the premises, facilities, qualifications of personnel, methods of operation, policies, procedures and records of that marijuana establishment or any other marijuana establishment which may have information pertinent to the complaint.

- 3. The Department may enter and inspect any building or premises at any time, with or without notice, to:
 - (a) Secure compliance with any provision of this chapter or chapter 453D of NRS;
 - (b) Prevent a violation of any provision of this chapter or chapter 453D of NRS; or
 - (c) Conduct an unannounced inspection of a marijuana establishment in response to an allegation of noncompliance with this chapter or chapter 453D of NRS.
- 4. The Department will enter and inspect at least annually, with or without notice, each building or the premises of a marijuana establishment to ensure compliance with the provisions of this chapter or chapter 453D of NRS.
- 5. For the purposes of inspection for a dual licensee, both the medical and retail marijuana establishments shall be inspected by the Department at the same time by the same inspection team to ensure consistency and efficiencies between the Department and marijuana operations, and not be unduly burdensome for the marijuana establishment.
- 6. The Department will enter and inspect, with or without notice, any building or premises operated by a marijuana establishment within 72 hours after the Department is notified that the marijuana establishment is operating without a marijuana establishment license.
- Sec. () Marijuana establishment licenses: Surrender if establishment not fully operational within 18 months. (NRS 453D.()
 - 1. If the marijuana establishment is not able to receive approval from the locality for zoning and land use within 12 months from the date the Department issued the conditional license, the applicant will surrender the license back to the Department for reissuance through another application process. The Department may extend the 12 months due to extenuating circumstances at the discretion of the Department.

2. If the conditional license of a marijuana establishment pursuant to this subsection is surrendered, the applicable annual renewal fee paid by the establishment is not refundable.

Sec. () Marijuana establishment licenses: Requirements for surrender upon closing; (NRS 453D.())

If a marijuana establishment is closing, the manager of the marijuana establishment must notify the Department of the closing at least 15 days before the marijuana establishment is closed and the marijuana establishment must surrender its marijuana establishment license to the Department immediately upon closing.

Sec. () Marijuana establishment licenses: Requirements for renewal. (NRS 453D.())

In addition to the information required to be submitted to the Department pursuant to NRS 453D.(), a person or entity that wishes to renew a marijuana establishment license must submit to the Department annually:

- 1 Payment of the renewal fee;
- 2 An application in the format prescribed by the Department that includes:
 - (a) The identification number of the marijuana establishment;
 - (b) The name of the entity applying to renew the marijuana establishment license, as reflected in the articles of incorporation or other documents filed with the Secretary of State;
 - (c) The name of the person designated to submit applications for marijuana establishment agent registration cards on behalf of the marijuana establishment pursuant to NRS 453D.();

- (d) If the marijuana establishment is a retail marijuana store, the proposed hours of operation during which the retail marijuana store plans to be available to sell marijuana to consumers;
- (e) The number of the marijuana establishment agent registration cards issued to each owner, officer or board member of the marijuana establishment;
- (f) For each owner, officer and board member of the marijuana establishment, whether the owner, officer or board member:
 - (1) Has served as an owner, officer or board member for a marijuana establishment that has had its marijuana establishment license revoked;
 - (2) Is an attending physician currently providing written documentation for the issuance of registry identification cards or letters of approval;
 - (3) Is a law enforcement officer;
 - (4) Is an employee or contractor of the Department; or
 - (5) Has an ownership or financial investment interest in any other marijuana establishment;
- (g) An attestation that the information provided to the Department to renew the marijuana establishment license is true and correct according to the information known by the affiant at the time of signing; and
- (h) The signature of a natural person for the marijuana establishment as described in subsection 1 of NAC 453D.() and the date on which he or she signed the application.

- 3. The fingerprints and background check of each person who is an owner, officer of board member of a marijuana establishment, which will only be required to be submitted for renewal:
 - (a) If such a person holds 5 percent or less of the ownership interest in any one marijuana establishment or an ownership interest in more than one marijuana establishment of the same kind that, when added together, equals 5 percent or less, once in any 5-year period;
 - (b) If such a person holds more than 5 percent of the ownership interest in any one marijuana establishment or an ownership interest in more than one marijuana establishment of the same kind that, when added together, equals more than 5 percent, or is an officer or board member of a marijuana establishment, once in any 3-year period.
- 4. If the marijuana establishment is a marijuana testing facility, submission of proof that the marijuana testing facility is accredited pursuant to standard ISO/IEC 17025 of the International Organization of Standardization.

Sec. () Marijuana establishment licenses: Suspension for operational deficiencies; plan of correction. (NRS 453D.())

- 1. If the Department determines that there are any deficiencies in the operation of a marijuana establishment or in the provision of services by a marijuana establishment, the Department may suspend its marijuana establishment license and request a written plan of correction from the marijuana establishment.
- 2. A marijuana establishment whose marijuana establishment license has been suspended pursuant to subsection 1 shall develop a plan of correction for each deficiency and

submit the plan to the Department for approval within 10 business days after receipt of the statement of deficiencies. The plan of correction must include specific requirements for corrective action, which must include times within which the deficiencies are to be corrected.

3. If the plan submitted pursuant to subsection 2 is not acceptable to the Department, the Department may direct the marijuana establishment to resubmit a plan of correction or the Department may develop a directed plan of correction with which the marijuana establishment must comply.

Sec. () Marijuana establishment licenses: Grounds for denial, suspension or revocation; notice. (NRS 453D.())

- 1. The Department will deny an application for or an application to renew a marijuana establishment license if:
 - (a) The application or the marijuana establishment is not in compliance with any provision of this chapter or chapter 453D of NRS; or
 - (b) An owner, officer or board member of the marijuana establishment:
 - (1) Is an employee or contractor of the Department;
 - (2) Has an ownership or financial investment interest in a marijuana testing facility and also is an owner, officer or board member of a retail marijuana store, marijuana cultivation facility or marijuana product manufacturing facility; or
 - (3) Provides false or misleading information to the Department.
- 2. The Department will revoke a marijuana establishment license if:

- (a) The marijuana establishment engages in an activity set forth in NRS 453D.());
- (b) An owner, officer or board member of the establishment has been convicted of an excluded felony offense; or
- (c) The Department receives formal notice from the applicable locality that the marijuana establishment has had its authorization to operate terminated.
- 3. The Department may deny an application for or an application to renew a marijuana establishment license or may suspend or revoke any marijuana establishment license issued under the provisions of this chapter and chapter 453D of NRS upon any of the following grounds:
 - (a) Violation by the applicant or the marijuana establishment of any of the provisions of this chapter or chapter 453A and 453D of NRS;
 - (b) The failure or refusal of an applicant or marijuana establishment to comply with any of the provisions of this chapter or chapter 453A and 453D of NRS;
 - (c) The failure or refusal of a marijuana establishment to carry out the policies and procedures or comply with the statements provided to the Department in the application of the marijuana establishment;
 - (d) Operating a marijuana establishment without a marijuana establishment license;
 - (e) The failure or refusal to return an adequate plan of correction to the Department within 10 business days after receipt of a statement of deficiencies pursuant to NAC 453D.();
 - (f) The failure or refusal to correct any deficiency specified by the Department within the period specified in a plan of correction developed pursuant to NAC 453D.();

- (g) The failure or refusal to cooperate fully with an investigation or inspection by the Department; or
- (h) The failure to comply with the provisions of chapter 372D of NRS and chapter 372D of NAC governing the imposition of an excise tax on marijuana establishments.
- 4. If the Department denies an application for or an application to renew a marijuana establishment license or revokes a marijuana establishment license, the Department must provide notice to the applicant or marijuana establishment that includes, without limitation, the specific reasons for the denial, suspension or revocation.
- 5. Before denying an application for or an application to renew a marijuana establishment license or revoking a marijuana establishment license as a result of the actions of an owner, officer or board member of the marijuana establishment pursuant to paragraph (b) of subsection 1 or paragraph (b) of subsection 2, the Department may provide the marijuana establishment with an opportunity to correct the situation.
- 6. The Department will not deny an application to renew a marijuana establishment license or revoke a marijuana establishment license based on a change in ownership of the marijuana establishment if the marijuana establishment is in compliance with the provisions of this chapter and chapter 453D of NRS.

Sec. () Ownership Change (NRS 453D.())

1. A marijuana establishment may transfer all or any portion of its ownership to another party, upon submission of a statement signed by a person authorized to submit such a statement by the governing documents of the marijuana establishment, and the Department shall transfer the marijuana establishment license issued to the

- establishment to the party acquiring ownership, if the party who will acquire the ownership of the marijuana establishment submits:
- (a) If the party will acquire the entirety of the ownership interest in the marijuana establishment, evidence satisfactory to the Department that the party has complied with the provisions of NRS 453D.() for the purpose of operating the marijuana establishment.
- (b) For the party and each person who is proposed to be an owner, officer or board member of the proposed marijuana establishment, the name, address and date of birth of the person, a complete set of the person's fingerprints and written permission of the person authorizing the Department to forward the fingerprints to the "Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report."
- (c) Proof satisfactory to the Department that, as a result of the transfer of ownership, no person, group of persons or entity will, in a county whose population is 100,000 or more, hold more than one marijuana establishment license or more than 10 percent of the marijuana establishment licenses allocated to the county, whichever is greater."
- 2. A marijuana establishment will be responsible to the Department for all costs incurred by the Department to determine whether any changes in ownership or other changes were made to circumvent the provisions of NRS 453D.() which prevent the transfer of a marijuana establishment license.
- 3. No person shall sell, purchase, assign, lease, grant or foreclose a security interest, or otherwise transfer, convey or acquire in any manner whatsoever any interest of any sort

whatsoever in or to any registered marijuana establishment (final license holder or conditional license holder), or any portions thereof, or enter into or create a voting trust agreement or any other agreement of any sort in connection with any registered marijuana establishment or any portion thereof, except in accordance with law, regulation, and this policy. It is the policy of the Department that intention to transfer ownership interest, in any amount greater than zero (0) percent shall cause the owners, operators and/or board members of any registered marijuana establishment to notify the Department on a form prescribed by the Department. If a person who is the owner of an interest in a registered marijuana establishment, proposes to transfer any portion of his/her interest to a person who is then the owner of an interest in a registered marijuana establishment, both parties shall give written notice of such proposed transfer to the Department, including the names and addresses of the parties and the extent of the interest proposed to be transferred. The notice shall be given on a form prescribed by the Department. Transfer of interest shall not be effected before notice to and review by the Department, and reply from the Department on the status of the transfer.

- 4. If a person who is the owner of an interest in a registered marijuana establishment proposes to transfer any portion of his interest to a person who is not then the listed owner of an interest in a registered marijuana establishment, no such transfer shall become effective for any purpose until the proposed transferee or transferees have made notification to the Department, and have been found to be individually qualified. Notification shall be made on a form prescribed by the Department.
- 5. No person shall transfer or convey in any manner whatsoever any interest in or to any registered marijuana establishment or any portion thereof, or permit any investment

therein or participation in the profits thereof, by any person acting as agent, trustee or in any other representative capacity for or on behalf of another person without first having fully disclosed all facts pertaining to such representation to the Department. This disclosure should include a description of the reason for transfer and legal contracts or agreements detailing the ownership transaction signed by respective parties.

- 6. No marijuana establishment registrant, or officer, director or transfer agent thereof, shall cause or permit any stock certificate or other evidence of beneficial interest therein to be registered in its books or records in the name of any nominee, agent, trustee or any other person other than the true and lawful owner of the beneficial interest therein without written permission of the Department to do so.
- 7. All time and effort for reviewing and investigating any notification of an ownership change shall be billed to the marijuana establishment requesting the ownership change, pursuant to NAC 453D.()
- 8. No transferee may wholly be listed as a corporation, trust, or any other entity; rather, ownership interest in such entities must be broken down to marijuana establishment percentage interest owned by natural persons.
 - (a) The following table illustrates specific scenarios and required documentation:

Ownership	Applicable	Document Requirements	Transfer
change/	Registration		of
transfer	Certificate		Ownership
scenario	Type		%
	1)// 0		Allowable
Internal	Conditional	• Transfer of Interest Form	100%
Transfer to	and Final	• Legal contracts or agreements detailing the	
already		ownership transaction	
vetted		• Proof satisfactory that no monopoly will be	
natural		created	
persons			

within existing			T
within existing marijuana			
establishment			
ownership			
External	Conditional	Transfer of Interest Form	100%
Transfer to	and Final*	1. minger of inverses 1 or m	10070
already vetted	ana Pinai	Legal contracts or agreements detailing the	
natural		ownership transaction	
persons		Identification of marijuana establishment	
(through a		within which proposed transferees maintain	
separate		existing ownership	
marijuana		Organization chart	
establishment) acquiring		Updated Secretary of State paperwork (if applicable)	
ownership		Fictitious firm name DBA paperwork (if	
individually or		applicable)	
as part of an		Shares issued in total and per owner (if	
entity		applicable)	
(e.g., Limited		• Locality business license (if applicable)	
Liability		Proof satisfactory that no monopoly will be	
Corporation, S		created	
Corporation, C			
Corporation)		Legal contracts or agreements detailing the	
	<i>a</i>	ownership transaction	1000/
External	Conditional	Transfer of Interest Form	100%
Transfer to	and Final*	• Fingerprints	
non-vetted		Background Check DPS	
natural		Evidence new owner has been entered into	
person(s)		the Agent Card Application Portal	
acquiring		Organization chart	
ownership individually or		Updated Secretary of State paperwork (if	
as part of an		applicable)	
entity		Fictitious firm name DBA paperwork (if	
(e.g., Limited		applicable)	
Liability		Shares issued in total and per owner (if	
Corporation, S		applicable)	
Corporation,		• Locality business license (if applicable)	
and C		Proof satisfactory that no monopoly will be	
		created	
Corporation)		Legal contracts or agreements detailing the	
		ownership transaction	

9. Pursuant to NRS 453D.(), if the transfer of interest request is for a marijuana establishment holding a conditional license, a signed and notarized attestation, signed by

- a person authorized to submit such a statement by the governing documents of the marijuana establishment, must be included in the request. The attestation must declare that the marijuana establishment will be built and operated at standards that meet or exceed the application criteria for the original marijuana establishment.
- 10. A marijuana establishment registrant who wishes to reassign any ownership shares greater than 0% in its marijuana establishment to any individuals who are currently listed among the ownership of any registered marijuana establishment will submit all required documentation as prescribed in the table above to the Department.
 - (a) The Department will conduct such investigation of the proposed new ownership list as it deems necessary;
 - (b) After review of the registered marijuana establishment's notice of transfer of interest form, the Department reserves the right to request additional information, as it determines necessary to complete the review;
 - (c) The Department will respond in writing to the marijuana establishment registrant advising that it has duly recorded the new ownership of the registered marijuana establishment; and
 - (d) The Department will update the marijuana establishment's registrant's file and advise the locality of the ownership change.
- 11. A marijuana establishment registrant who wishes to reassign any ownership shares greater than 0% in its marijuana establishment to include any individual or party who is not currently listed among the ownership of any registered marijuana establishment will submit all required documentation as prescribed in the table above to the Department.

- (a) The Department requires any individual or individuals who are prospective marijuana establishment owners to submit a notice of transfer of interest form and:
 - (1) A completed agent fingerprint submission form, annotated and signed by the technician who took the fingerprints at the fingerprinting facility. Note: Fingerprints are to be submitted electronically to the Nevada Department of Public Safety (DPS). A list of facilities which participate in the electronic fingerprint program is at http://gsd.nv.gov/feesforms/fingerprints.
 - (2) If a prospective owner is unable to comply with the requirement to submit his/her fingerprints to DPS electronically, contact the Department for specific directions for making a fingerprint card submission. DPS background check fees can be viewed at http://gsd.nv.gov/feesforms/fingerprints.
- (c) The Department will respond in writing to the marijuana establishment registrant requesting the ownership change if the prospective owners have been found to be unqualified pursuant to NRS 453D, NAC 453D, or any other pertinent statute or regulation.
- (d) If the ownership change does not violate NRS 453D, NAC 453D or any other pertinent statute or regulation, the Department will advise the marijuana establishment registrant that it has duly recorded the new ownership of the registered marijuana establishment.
- (e) The Department will update the marijuana establishment registrant's file and advise the locality of the ownership change.

Sec. () Score Review (NRS 453D.())

- 1. The Department will provide marijuana establishment applicants who inquire with application scores. Retail marijuana store applicants who do not wish their information to appear on the Department website and cultivation, production and laboratory applicants who wish to know their overall score may do so by faxing a specialized inquiry to the Department.
- 2. Marijuana establishment applicants who contact the Department wishing breakdowns of their scores, by category, are asked to contact the Department to schedule one meeting to obtain such scoring information.
- 3. Due to the need to verify identity and ensure the confidentiality required by NRS 453D.(
) neither phone, Skype nor video-conferenced meetings will be supported.
- (a) A retail marijuana store applicant may access their application score by returning a signed "consent to release" form, prompting the Department to publish their business name and score on the website.
- (b) Retail marijuana store applicants who do not wish their information to appear on the Department website and/or cultivation, production and laboratory applicants wanting their overall score, may do so by:
 - (1) Having the Contact Person fax to the Department a written request for the desired score(s), a copy of the marijuana establishment application page 2 (Applicant Information Sheet), and a photocopy of their driver's license.
 - (2) The Department will use a single secure fax machine for this process.
 - (3) The Department will, upon receiving said request, mail the score to the requestor.
- (c) Applicants wishing categorical breakdowns of their scores may schedule an in-person meeting.

- (1) The Contact Person, Owner, Officer and/or Board Member may schedule and attend;
- (2) Only designated staff persons can conduct this meeting; and
- (3) The Department representative will ensure the legitimacy of the company representative to view the scoring information, including but not limited to, making a copy of their identification card.

(d) During the meeting:

- (1) The company representative will be provided the average score for each category of their application(s), and the total overall score(s);
- (2) A copy of the marijuana establishment application will be provided to the company so they can compare the score with the maximum score available for that category;
- (3) The company representative can make notes of the scoring information provided.

 No photocopies, scan, recordings, or photographs can be made of the information provided;
- (4) Department staff will not discuss nor comment on the scores provided, nor discuss or comment on the Department's review process;
- (5) No information will be provided on any other marijuana establishment application not associated with the company representative;
- (6) The meeting will be scheduled for up to but no longer than 30 minutes; and
- (7) A copy of the following documents will be maintained in the establishment hard copy file, and electronically: a copy of the establishment scoring information, copies of ID cards, and a copy of the MS Outlook appointment information.

- Sec. () Registration cards: Information required to obtain or renew. (NRS 453D.())

 To obtain or renew a marijuana establishment agent registration card pursuant to NRS 453D.(), for a person who wishes to contract to provide labor to or be employed by an independent contractor to provide labor to a marijuana establishment, or a person who volunteers at a marijuana establishment other than a consultant who performs professional services for the marijuana establishment, the marijuana establishment shall, in addition to the information required to be submitted to the Department pursuant to NRS 453D.(), submit to the Department:
 - 1. A copy of any valid government-issued identification card of the person which includes a photograph of the person, current address and the date of birth;
 - 2. A statement signed by the prospective marijuana agent pledging not to sell or otherwise divert marijuana to any person who is not authorized to possess marijuana in accordance with the provisions of this chapter;
 - 3. A statement signed by the prospective marijuana agent asserting that he or she has not previously had a medical marijuana or marijuana establishment agent registration card revoked;
 - 4. An attestation signed and dated by the person that the person has not been convicted of an excluded felony offense;
 - 5. A statement that the person does not currently hold a valid marijuana establishment agent registration card;
 - 6. A complete set of the fingerprints and written permission of the prospective marijuana agent authorizing the Department to forward the fingerprints to the Central Repository

- for Nevada Records of Criminal History for submission to the Federal Bureau of Investigations for its report
- 7. If required, authorization for the Department to obtain account information regarding fingerprints and background checks;
- 8. The application fee, as allowed by law; and
- 9. Such other information as the Department may require.
- 10. If an applicant for registration as a marijuana establishment agent satisfies the requirements of this section and is not disqualified from serving as such an agent pursuant to this section or any other applicable law, the Department shall issue to the person and, for an independent contractor, to each person identified in the independent contractor's application for registration as an employee who will provide labor as a marijuana establishment agent, a marijuana agent card.
- 11. An applicant for registration or renewal of registration as a marijuana establishment agent is deemed temporarily registered as a marijuana establishment agent on the date on which a complete application for registration or renewal of registration is submitted to the Department. A temporary registration as a marijuana establishment agent expires 30 days after the date upon which the application is received.
- 12. A person shall not serve as a marijuana agent if he or she:
 - (a) Has been convicted of an excluded felony offense; or
 - (b) Is less than 21 years of age.
- 13. All marijuana establishment officers and board members must obtain marijuana establishment agent cards pursuant to this section. An owner with less than 5% interest,

that is not an officer or board member, will not be required to obtain a marijuana establishment agent card.

Sec. () Registration cards: Categories.. (NRS 453D.())

- 1. The Department will issue marijuana establishment agent registration cards for each of the following categories:
 - (a) A marijuana testing facility;
 - (b) A marijuana cultivation facility;
 - (c) A marijuana production and manufacturing facility;
 - (d) A marijuana distributor; and
 - (e) A retail marijuana store.
- 2. Each marijuana establishment agent registration card issued pursuant to 453D.(), must indicate the applicable category. A person who is employed by or volunteers at a marijuana establishment and to whom a marijuana establishment registration card is issued may only be employed by or volunteer at the type of marijuana establishment for which he or she is registered.
- 3. A marijuana establishment agent registration card issued pursuant to this section to an independent contractor or an employee of an independent contractor authorizes the independent contractor or employee to provide labor to any marijuana establishment in this State.
- 4. A marijuana establishment agent registration card issued pursuant to this section to a person who wishes to volunteer or work at a marijuana establishment authorizes the person to volunteer or work at any marijuana establishment in this State for which the

category of the marijuana establishment agent registration card authorizes the person to volunteer or work.

Sec. () Training and Education of marijuana establishment agents (NRS 453D.())

- 1. A marijuana establishment shall ensure that training is provided to a marijuana establishment agent before that person begins to work or volunteer at or provide labor as a marijuana establishment agent at the marijuana establishment. Such training must include, without limitation:
 - (a) The proper use of security measures and controls that have been adopted by the marijuana establishment for the prevention of diversion, theft or loss of marijuana;
 - (b) Procedures and instructions for responding to an emergency; and
 - (c) State and federal statutes and regulations related to the use of marijuana.
- 2. In addition to the training set forth in subsection 1, a retail marijuana store shall ensure that instruction is provided to a marijuana establishment agent before that person begins to work or volunteer at or provide labor as a marijuana establishment agent at the retail marijuana store. Such instruction must include, without limitation:
 - (a) The different strains of marijuana;
 - (b) The different methods of using marijuana, edible marijuana products and marijuana products;
 - (c)Learning to recognize signs of marijuana abuse, impairment and instability in the use of marijuana by a consumer;
 - (d) Clinical effects of marijuana on the human body and how marijuana affects the consumer;
 - (e) Required warnings and literature which must be supplied to the consumer;

- (f) Methods of refusing entry or sales to intoxicated persons, including:
 - (4) Verifying identification and using age verification devices;
 - (5) Education of the use on adult use marijuana and those under 21;
 - (6) Understanding law enforcement's role and compliance checks;
 - (7) Recognition of false or altered identification;
- (g) Understanding law enforcement's role and compliance checks;
- (h) Applicable state and local laws regarding marijuana;
- (i) Preventing unlawful consumption and open and public consumption laws;
- (j) Preventing use of marijuana by minors, laws and penalties;
- (k) How to prevent and deal with disturbances; and
- (1) Agent responsibility and strategies for preventing diversion.
- 3. In addition to the training set forth in subsection 1, a marijuana testing facility shall ensure that instruction is provided to a marijuana establishment agent before that person begins to work or volunteer at or provide labor as a marijuana establishment agent at the marijuana testing facility. Such instruction must include, without limitation:
 - (a) The good laboratory practices adopted by the marijuana testing facility; and
 - (b) The standard operating procedures and the quality control and quality assurance programs of the marijuana testing facility.
- 4. In addition to the training set forth in subsection 1, a marijuana cultivation facility shall ensure that instruction is provided to a marijuana establishment agent before that person begins to work or volunteer at or provide labor as a marijuana establishment agent at the marijuana cultivation facility. Such instruction must include, without limitation:

- (a) The methods of cultivation used by the marijuana cultivation facility;
- (b) The methods of fertilization used by the marijuana cultivation facility;
- (c) Methods for recognizing the signs of insect infestation, pathogens and disease in marijuana plants, and the procedures for eradication and the safe disposal of plants so affected;
- (d) The nutritional requirements of marijuana plants at various growth stages, including, without limitation, proper mixing and dispersal of fertilizer, flushing procedures and procedures for postharvest trimming, drying and curing; and
- (e) The safe handling of equipment, including, without limitation, high-intensity discharge lamps, electrical ballasts, pumps, fans, cutting implements and other equipment for cultivation.
- 5. In addition to the training set forth in subsection 1, a marijuana product manufacturing facility shall ensure that instruction is provided to a marijuana establishment agent before that person begins to work or volunteer at or provide labor as a marijuana establishment agent at the marijuana product manufacturing facility. Such instruction must include, without limitation:
 - (a) Understanding the difference between concentrated marijuana, topical products, marijuana products, as applicable to the operations of the marijuana product manufacturing facility;
 - (b) The procedures used by the marijuana product manufacturing facility to create concentrated marijuana and marijuana products; and
 - (c) The proper procedures for handling concentrated marijuana and marijuana products, including, without limitation, the procedures used to prepare, produce,

- package and store such products as required by the provisions of this chapter and chapter 453D of NRS.
- 6. In addition to the training set forth in subsection 1 a marijuana distribution facility shall ensure that instruction is provided to a marijuana establishment agent before that person begins to work or volunteers at the facility for the distribution of marijuana products. Such instruction must include, without limitation:
 - (a) The proper procedures for handling or marijuana, edible marijuana products or marijuana products;
 - (b) The procedures for proper transportation and storage of marijuana, edible marijuana products or marijuana products; and
 - (c) Maintain the proper Nevada state driver's license for the expected loads.

Sec. () Registration cards: Electronic submission of applications. (NRS 453D.()) An applicant submitting an application for a marijuana establishment agent registration card pursuant to NRS 453D.() or renewing, amending, changing or replacing a marijuana establishment agent registration card shall submit the application electronically in the format prescribed by the Department.

Sec. () Registration cards: Requirements for changing name or address. (NRS 453D.())

To make a change to the name or address on a marijuana establishment agent registration card, the marijuana establishment agent must submit to the Department a request for the change, which must include:

1. The name on and the number of the current marijuana establishment agent registration card of the cardholder;

- 2. The new name or address of the cardholder;
- 3. The effective date of the new name or address of the cardholder;
- 4. For a change of the address of the cardholder, the county and state in which the new address is located; and
- 5. For a change of the name of the cardholder, a copy of any valid government issued identification card of the cardholder which includes a photograph of the person and the new name and address of the cardholder.

Sec. () Registration cards: Requirements for requesting replacement card. (NRS 453D.(

-)) To request a replacement marijuana establishment agent registration card that has been lost, stolen or destroyed, the marijuana establishment agent shall submit to the Department, within 3 working days after the card was lost, stolen or destroyed, a request for a replacement card which must include:
 - 1. The name and date of birth of the cardholder;
 - 2. If known, the number of the lost, stolen or destroyed marijuana establishment agent registration card; and
 - 3. If the cardholder cannot provide the number of the lost, stolen or destroyed marijuana establishment agent registration card, a copy of:
 - (a) Any valid government-issued identification card of the cardholder which includes a photograph of the person; or
 - (b) A marijuana establishment agent registration card previously issued to the person.

Sec. () Registration cards: Expiration date of replacement card. NRS 453D.())

If the Department issues a marijuana establishment agent registration card based on a request pursuant to <u>NAC 453D.340</u> or <u>453A.342 453D.(</u>), the new marijuana establishment agent registration card must have the same expiration date as the marijuana establishment registration agent card being changed or replaced.

Sec. () Registration cards: Grounds for denial or revocation. (NRS 453D.())

- 1. The Department will deny an application for or an application to renew a marijuana establishment agent registration card if the applicant:
 - (a) Does not meet the requirements set forth in NRS 453D.(); or
 - (b) Previously had a marijuana establishment agent registration card revoked.
- 2. The Department may deny an application for or an application to renew a marijuana establishment agent registration card if the applicant provides false or misleading information to the Department.
- 3. The Department will revoke a marijuana establishment agent registration card if the marijuana establishment agent:
 - (a) Dispenses or otherwise diverts marijuana to a person who is not authorized by law to possess marijuana in accordance with the provisions of this chapter and chapter 453D of NRS;
 - (b) Has been convicted of an excluded felony offense; or
 - (c) Engages in an activity set forth in NRS 453D.().
- 4. The Department may revoke a marijuana establishment agent registration card if the marijuana establishment agent knowingly violates any provision of this chapter or chapter 453D of NRS.

5. If the Department denies an application for or an application to renew a marijuana establishment agent registration card or revokes a marijuana establishment agent registration card, the Department will provide notice to the applicant or marijuana establishment agent that includes, without limitation, the specific reasons for the denial or revocation.

Sec. () Fees; assessments. (NRS 453D.())

1. Except as otherwise provided in subsection () of 453D.(), the Department will charge and collect the following fees:

- 2. Each marijuana establishment shall submit the fee required by subsection 1 to the Department on or after July 1 and on or before July 15 of each calendar year.
- 3. As used in this section, "marijuana establishment license" includes a conditional marijuana establishment license.
- 4. As used in this section, "marijuana establishment agent registration card" includes a conditional marijuana establishment agent registration card.
- 5. For the ongoing activities of the Department relating to the oversight of marijuana establishments, not related to processing an application by a marijuana establishment, the Department will collect an assessment from each marijuana establishment for the time and effort attributed to the oversight of the marijuana establishment at an hourly rate established by the Department.